



# New Laws Affecting Vendor Contracts

Barry Wood, Assessment Director

Charlie Traylor, Staff Attorney

July 21, 2008



# Vendor Contracts

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- HEA 1001 Changes
- Model Contract
- Reassessment Contract



## **HEA 1001 Changes :**

Effective July 1, 2008:

- HEA 1001 prescribed mandatory changes to the way counties may contract with vendors for professional appraisal services and software products and applications
  - Added safeguards to protect counties
- Ind. Code 6-1.1-4-17 and Ind. Code 6-1.1-4-19.5 require the DLGF to be a party to all contracts executed by the counties for assessing or appraisal services
  - State contractual provisions were added as a result



## **HEA 1001 Changes:**

- June 19, 2008 memorandum outlining statutory changes:
  - [http://www.in.gov/dlgf/files/2008Model\\_Contract\\_Package-Memo\\_Contract\\_and\\_Workplan.pdf](http://www.in.gov/dlgf/files/2008Model_Contract_Package-Memo_Contract_and_Workplan.pdf)
- New Model Contract:
  - [http://www.in.gov/dlgf/files/2008MODEL\\_CONTRACT-ASSESSING\\_SERVICES-FINAL.pdf](http://www.in.gov/dlgf/files/2008MODEL_CONTRACT-ASSESSING_SERVICES-FINAL.pdf)
- County assessors are advised to bring any existing contracts for appraisal services into compliance with the requirements following July 1, 2008



## **HEA 1001 Changes:**

- To employ a professional appraiser to assist with annual adjustments, the model contract is mandatory
- *County assessors should seek the assistance of their county attorney to ensure compliance with all model contract provisions*



## **Model Contract:**

- The model contract details the trending and data compliance services to be provided by the professional appraiser
- It also includes optional language concerning sales disclosure forms
- Ind. Code 6-1.1-4-19.5 (b) specifically requires certain provisions. Additional duties (e.g. assessing new construction annually) to be performed by the contractor may be included



## **Model Contract:**

- The contract should be fully executed before it is submitted to the DLGF for execution
- Ind. Code 6-1.1-4-18.5 (b) requires the County Assessor to give notice and receive bids for professional appraisal services prior to entering into a contract with a professional appraiser for any assessment services
- It is recommended that the contract term be for one year only



## **2011 pay 2012 Reassessment Contracts:**

- Ind. Code 6-1.1-4-20 requires contracts with professional appraisers for the 2011 pay 2012 reassessment work to be executed between January 1, 2009 and April 16, 2009
- It covers the period July 1, 2009 through December 31, 2010 for the assessment date of March 1, 2011 for taxes payable in 2012
  - A memo will be sent soon
  - Anticipate bidding process in fall and early winter





# Questions?

Contact Us:

(317) 232-3777

[www.in.gov/dlgf](http://www.in.gov/dlgf)

[Bwood@dlgf.in.gov](mailto:Bwood@dlgf.in.gov)

[Ctraylor@dlgf.in.gov](mailto:Ctraylor@dlgf.in.gov)